

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF TAYLOR COUNTY) CASE NO. 8082
RURAL ELECTRIC COOPERATIVE CORPORATION)
PURSUANT TO 807 KAR 5:056E, SECTIONS)
1(11) AND (12))

O R D E R

Pursuant to 807 KAR 5:056E, Sections 1(11) and (12), and following proper notice, a hearing was held on January 29, 1981, to review the operation of the standard fuel adjustment clause to determine the amount of fuel cost that should be transferred to the base rates of the utility and to re-establish the fuel adjustment charge.

The Commission in Case No. 8055 has approved a request by the Applicant's wholesale supplier, East Kentucky Power Cooperative, Inc. (EKP), to transfer (roll-in), to the base rates charged the Applicant, fuel cost in the amount of .105¢ per KWH. Granting EKP's request requires that the Applicant be authorized to transfer these fuel costs to its base rates.

As a part of this review the Commission has analyzed monthly filings made by the Applicant in conjunction with the schedule of over- or under-recoveries of fuel cost filed in this proceeding. The Commission's review indicates the monthly report should be revised in order to obtain a more accurate measure of under- or over-recovery of fuel cost shown in that report.

The Commission after review FINDS:

(1) That the Company's wholesale supplier, EKP, has been authorized to transfer to its base rates in Case No. 8055 fuel cost of .105¢ per KWH.

(2) That an amount of .114¢ per KWH should be added to the rates charged customers in order to transfer, to Applicant's base rates, fuel cost transferred by EKP from the fuel adjustment clause rate to the base rates pursuant to Commission Order in Case No. 8055.

(3) That the revised rates and charges set out in Appendix "A" of this Order are designed only to reflect the transfer to base rates of fuel cost which is currently being recovered in the fuel adjustment clause rate.

(4) That the transfer of fuel costs to the Applicant's base rates will not result in any additional net margin to the Applicant.

(5) That this transfer of fuel cost is most reasonably and practically accomplished by an energy adder to each KWH sold.

(6) That revisions should be made in the monthly report currently being filed by the Applicant.

IT IS THEREFORE ORDERED, that Taylor County Rural Electric Cooperative Corporation is hereby authorized to transfer to base rates fuel cost transferred by its wholesale supplier, EKP, in Case No. 8055.

IT IS FURTHER ORDERED, that the rates set out in Appendix "A" shall be placed into effect for service rendered on and after April 1, 1981, which is the same effective date approved for EKP.

IT IS FURTHER ORDERED, that the Applicant shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

IT IS FURTHER ORDERED, that the revised monthly report, Appendix "B" to this Order, be used by the Applicant for all filings made after the date of this Order under 807 KAR 5:056E to recover or refund fuel charges or credits billed or refunded by its wholesale supplier.

Done at Frankfort, Kentucky, this 13th day of March, 1981.

PUBLIC SERVICE COMMISSION

Martin M. Voth
Chairman

Katharine Randall
Vice Chairman

Don L. Carney
Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC
SERVICE COMMISSION IN CASE NO. 8082 DATED MARCH 13, 1981.

The following rates and charges are prescribed for the customers in the area served by Taylor County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE A
FARM AND HOME SERVICE*

Rates:

Customer Charge	\$4.05 Per Meter Per Month
All KWH Per Month	.04378 Per KWH

SCHEDULE GP-1
GENERAL PURPOSE SERVICE (LESS THAN 25 KW)*

Rates:

<u>Demand Charge:</u>	None
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Energy:

Customer Charge	\$5.15 Per Meter Per Month
All KWH Per Month	.05088 Per KWH

Minimum Monthly Charges:

\$5.15 where 3 KVA or less of transformer capacity is required. Each consumer who requires more than 3 KVA of transformer capacity shall pay, in addition to the above minimum, 86¢ for each additional KVA or fraction thereof required. Where the minimum charge is increased in accordance with the terms of this section, additional energy therefore may be taken in accordance with the terms of the foregoing schedule.

SCHEDULE GP-2
GENERAL PURPOSE SERVICE (GREATER THAN 25 KVA)*

Rates:

Demand Charge:

\$2.60 Per KW of Billing Demand

Energy Charge:

All KWH Per Month	\$.03258 Per KWH
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SCHEDULE SL
SECURITY LIGHT LEASE AGREEMENT

Rates:

<u>Nominal Lamp Size</u>	<u>Mo. Charge Per Fixture</u>	<u>Aver. Mo. Energy</u>
<u>Mercury Vapor</u>		
175 Watts	\$ 2.70	70 KWH
400 Watts	\$ 4.30	160 KWH

SCHEDULE SL
STREET LIGHTING SERVICE

Availability:

Available to towns and villages for controlled street lighting from dusk to dawn.

Rates:

<u>Incandescent</u>	<u>Charge/Fixture</u>
75 Watts	\$2.16 plus 30 KWH/Light/Month @ GP-1 Rate
150 Watts	2.70 plus 60 KWH/Light/Month @ GP-1 Rate
200 Watts	2.70 plus 80 KWH/Light/Month @ GP-1 Rate
300 Watts	3.25 plus 120 KWH/Light/Month @ GP-1 Rate
<u>Mercury Vapor</u>	
175 Watts	\$2.70 plus 70 KWH/Light/Month @ GP-1 Rate
250 Watts	3.25 plus 100 KWH/Light/Month @ GP-1 Rate
400 Watts	4.30 plus 160 KWH/Light/Month @ GP-1 Rate

*Fuel Adjustment Clause

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056E.

COMPANY _____

Purchased Power - Month of: _____

Fuel Adjustment Charge (Credit):
a. Billed by Supplier \$ _____

b. (Over) Under Recovery on L20 _____

c. Unrecoverable - Schedule 1 _____

d. Recoverable Fuel Cost (L1a
+ L1b minus 1c) _____

2. Number of KWH Purchased _____

3. Supplier's FAC:
a. \$ Per KWH (L1a ÷ L2) _____

b. ¢ Per KWH (L3a x 100) _____

4. Sales as a Percent of Purchases
(100% less percentage on L6) _____

5. Calculation of Distributor's FAC:
a. Recovery Rate \$ Per KWH
(L1d ÷ L2) _____

b. FAC \$ Per KWH (L5a ÷ L4) _____

c. ¢ Per KWH (L5b x 100) _____

Line Loss _____

6. Twelve Months Average (%) _____

7. Last Month Used to Compute L6 _____

8. Line Loss for Month on L7 (%) _____

5c above reflects a Fuel Adjustment Charge (Credit) of _____ ¢/KWH to be applied to bills rendered on and after _____, 19____. Date of Issue _____, 19____. Issued by _____

Title _____ Address _____ Telephone Number _____

POWER SUPPLIER _____

Disposition of Energy (KWH)-Month of: _____

9. Total Purchases for the Month _____

10. Sales (Ultimate Consumer) _____

11. Company Use _____

12. Total Sales (L9 + L10) _____

13. Line Loss and Unaccounted For
(L9 Less L12) _____

Under or (Over) Recovery _____

14. Last Distributor FAC Rate Billed
to All Cycles _____

15. Gross KWH Billed at the Rate on L14 _____

16. Adjustments to Customer Bills (KWH) _____

17. Net KWH Billed at the Rate on L14
(L15 Less L16) _____

18. FAC Revenue (Refund) Resulting
From the Rate on L14 _____

19. Fuel Charge (Credit) Used to
Compute the Rate on L14 _____

20. Total (Over) Under Recovery
(L18 Less L19) _____

CALCULATION OF UNRECOVERABLE FUEL COST
DUE TO EXCESSIVE LINE LOSS
FOR THE MONTH ENDED

1. Purchases For the Month (KWH)
2. Less Line Loss (10% X L1) _____
3. Sales (L1 less L2)
4. Unrecoverable Fuel Charge Per KWH:
 - a. FAC Rate based on Actual Line Loss
(Current Month's Report L3a ÷ (100% Less L6)) \$
 - b. FAC Rate based on 10% Line Loss
(Current Month's Report L3a ÷ 90%) _____
 - c. Increment unrecoverable \$ _____
5. Unrecoverable Fuel Cost -L4c X L3 carry to Line
1b of current months report) \$ _____

Note: This schedule is to be filed for each month that the 12 month average Line Loss exceeds 10% and the amount billed by the supplier is a charge. This schedule is not to be filed if the amount billed by the supplier is a credit.